

Written testimony of Tom R. Skancke, Commissioner, National Surface Transportation Policy and Revenue Study Commission.

Good afternoon Chairman Laugtenberg, Ranking Member Thune and members of the Committee. For the record my name is Tom Skancke. In 2005 I was appointed to the National Surface Transportation Policy and Revenue Study Commission (the Commission) by Senate Majority Leader Harry Reid.

In January of 2008, the Commission recommended to Congress a new vision for transportation policy and funding in America; a new vision which includes a framework that will reform our current transportation program which is obsolete.

The Commission spent nearly two (2) years putting together a policy and funding framework for the next fifty (50) years for our nation. That framework included substantive policy recommendations for both high speed intercity passenger rail (HSICPR) and intercity passenger rail (ICPR) systems.

The Commission, agreed that the role of HSICPR and ICPR will need to much more significant in the next 50 years as our nation should to more modal choices to our ever increasing mobile public.

Over the next half-century, the U.S. is projected to add 150 million new residents, a 50 percent increase over its current population. This increase will cause travel to grow at an even greater rate than the population will. This nation cannot build our way out of this growth with more highway lane miles. We must offer our citizens other modal choices.

Transportation planning, designing and constructing takes a great deal of vision. A vision is what President Eisenhower had in the 1950's when he created The Clay Commission. That commission made recommendations to the President and Congress as to how the United States would fund and build the Interstate Highway System we have today.

In 1955 President Eisenhower stated and I quote "Our unity as a nation is sustained by the free communication of thought and by easy transportation of people and goods...Together the unifying forces of our communication and transportation systems are dynamic elements in the very name we bear—United States. Without them we would be a mere alliance of many separate parts."

Over the past 25 years, President Eisenhower's worst nightmare has occurred...our nation has become an alliance of many separate parts when it comes to transportation infrastructure as it relates to moving our people across this great land. We have forced the American public into cars and have made them sit in hours of congestion. This congestion is costing our economy billions of dollars in lost time and production output. In addition to not offering American's modal choices we have not offered them a bold vision to invest in. Future generations are counting on us to get this right just like our grandparents and parents did for us.

When our Commission presented our report to Congress in January of 2008, we recommended that the entire country should be connected by HSICPR by 2050. The recommendations also defined that the corridors should connect population center within 500 miles of each other. Just 11 months later, in November 2008, the federal General

Accounting Office (GAO) concluded that: "The existing intercity passenger rail system is in poor financial condition and the current structure does not effectively target federal funds to where they provide the greatest public benefits, such as transportation congestion relief. Routes of 750 miles or more, while providing service for some rural areas and connections between regions, show limited public benefits for dollars expended. These routes account for 15 percent of riders but 80 percent of financial losses. "Corridor" routes (generally less than 500 miles in length) have higher ridership, perform better financially, and appear to offer greater potential for public benefits."

Our Commission recommended to Congress that our nation needs to invest at least \$8 billion over the next 50 years in an HSI CPR/ICPR systems for our Nation. President Obama and Senate Majority Leader Harry Reid (D-NV) realized that the investment in passenger rail systems is needed NOW not over the next 50 years. So \$8 billion dollars was put into the ARRA legislation to kick start the program and begin a valiant new vision for America's transportation modes. Here's a question for all of us to ponder. If a high speed passenger rail systems can be built in Europe and China...why can't a 21st Century passenger rail system be built in the United States? In my opinion, the US should be the leaders in HSI CPR not the followers.

As you know, HSI CPR is the preferred transportation mode in the Far East, Near East, Europe and now in the Middle East. Qatar and Kuwait are spending \$10 billion each (\$20 billion total) in the next 3-5 years on HSI CPR. The United Arab Emirates (UAE) is spending twice that on bullet trains, monorails, HSI CPR and major transit facilities throughout Dubai—the first of which is supposed to open in September of this year.

China is spending hundreds of billions of dollars on HSI CPR connecting the Far East to the Near East and ultimately, the Middle East. Further, China believes that an eventual connection to Europe is fundamental to establishing their future economic viability and sustainability. Should this vision become reality, Europe connecting to the Far East will give both regions a competitive economic advantage over the rest of the world. The U.S. will be second or third in the world. Is that what we want to be...second or third?

The nation's new vision should not just focus on existing passenger rail lines but should expand beyond the current corridors. The vision should include a western connection much like the recommendation of the Commission by connecting all 22 western states in phases. The first phase of a western connection is currently underway with the Desert Xpress high speed rail project planned to connect Victorville, California to Las Vegas. This project will ultimately connect Victorville to Palmdale, California tying into the California high speed rail system from Los Angeles to San Francisco, California. This is a connection that will ultimately connect three (3) major metropolitan mega regions. Each project meeting the criteria set out by the Commission and the GAO for being corridors of 500 or less.

This vision is one that takes leadership and courage to get it done but it can be done and should be done. Yes it will be costly to design, fund and construct...but we can do this...we're the United States of America.

To me, the role of HSI CPR has been defined for many years. What we lack is a vision and the courage to tell our fellow Americans that we're going to make a cultural shift in how we offer choices in our transportation system. Continuing to force the driving public to sit in hours of congestion is just unacceptable and environmentally irresponsible.

Reconnecting America with a new vision and new mode is what this nation needs at this point in our history and staggering economy. We cannot wait.

I recommend three policy changes that need to be made immediately.

First is the amount of time it takes to deliver a transit or rail project in our nation. When we add \$1 federal dollar to any transportation project in our nation we add 5-8 years to the process. That is NOT just the environmental impact process, that's the entire process. It's the duplicative reviews of agencies, laws passed in the 1960's for a 20th Century economy, a review process that has no performance measures and a broken transportation program. A new starts project in this nation takes 15-20 years to deliver. This long drawn out process does not give the U.S. a global competitive edge. A \$1 billion project today at the end of the 15 year process is \$3-4 billions more costing the tax payers billions in waste. Passenger rail and transit is proven to reduce highway congestion and increase air quality. We are being environmentally irresponsible when it takes 20 years to do a rail project. This must be changed and it cannot be compromised.

Second, Congress must adopt a bold vision in order to convince the American tax payer that high speed rail is a mode of transportation for our people. We cannot continue to set up our current passenger rail systems to fail. We must build a new system with a new vision. President Eisenhower had a vision for the interstate highway system, President Obama has a vision for high speed passenger rail. As a nation, we must invest in multi-modal options to compete globally and to improve each American's quality of life.

We must do today what our parents and grandparents did for us...invest in a new vision, reform the current program and revolutionize the way we do transportation policy and funding. America is counting on us to do it. Eisenhower's vision in the 1950's got us to where we are today. That vision made us the economic super power we have been. We must continue that tradition.

Third, we must create a performance based outcome driven system. Key performance measures for the rail system would include reliable on-time performance, congestion mitigation, safety and environmental benefits improved choices, mobility options for all communities and reduced energy use. The passenger rail system would be based on a cost benefit analysis that includes both the user and non-user benefits of passenger rail. The system needs to be in its own rights of way, minimum amount of shared track in metropolitan areas, and on time delivery for passenger predictability. It needs to be reliable or the public won't use it.

Albert Einstein once said and I quote, "Without changing our patterns of thoughts, we will not be able to solve the problems we created with our current patterns of thoughts".

So let's change our patterns of thought so that we can solve our problems we created with our current pattern of thoughts.

Mr. Chairman, you should be commended for having this hearing today to talk about high speed passenger rail. Passenger rail is the future for moving Americans and now is the time to make the investment. We need to restore hope in and performance in our transportation system.

Our fellow citizens are counting on us.